

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

Page 1 of 2

DOCKET NO.: 2007-1551-IWD-E **TCEQ ID:** RN102186194 **CASE NO.:** 34679**RESPONDENT NAME:** SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input checked="" type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: VAM PTS, located approximately 0.5 mile east of the intersection of Hardy Road and Richey Road, approximately two miles south of Farm-to-Market Road 1960, Harris County</p> <p>TYPE OF OPERATION: Pipe and coupling threading and coating facility</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondents have expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on March 31, 2008. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Heather Brister, Enforcement Division, Enforcement Team 1, MC R-09, (254) 761-3048; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Ms. Rosemary Hoffart, Health Safety and Environmental Manager, VAM PTS Company, 19210 East Hardy Road, Houston, Texas 77073 Respondent's Attorneys: Mr. Peter K. Wahl and Ms. Fredricka S. Dorroh, Akin Gump Strauss Hauer & Feld, LLP, 1700 Pacific Avenue, Suite 4100, Dallas, Texas 75201-4675</p>		

DOCKET NO.: 2007-1551-IWD-E

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: July 17, 2007</p> <p>Date of NOV/NOE Relating to this Case: August 7, 2007 (NOE)</p> <p>Background Facts: This was a routine record review of self-reported data.</p> <p>WATER</p> <p>1) Failed to comply with the permitted effluent limits for total nickel, total zinc, and total aluminum [TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003420000, Effluent Limitations and Monitoring Requirements No. 1 at Outfall No. 001 and Outfall No. 002].</p> <p>2) Failed to timely submit the Discharge Monitoring Reports ("DMR") for the monitoring periods ending June 30 and July 31, 2006 at Outfalls 002 and 003 [30 TEX. ADMIN. CODE §§ 319.7(d) and 305.125(17) and TPDES Permit No. WQ0003420000, Monitoring and Reporting Requirements No. 1].</p> <p>3) Failed to monitor for each parameter included in the permit. Specifically, the Respondents did not analyze total cadmium, total chromium, total cyanide, total silver, and total toxic organics for the annual monitoring period ending August 31, 2006 [30 TEX. ADMIN. CODE § 319.4 and TPDES Permit No. WQ0003420000, Monitoring and Reporting Requirements No. 1].</p>	<p>Total Assessed: \$13,426</p> <p>Total Deferred: \$2,685 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$10,741</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondents have implemented the following corrective measures at the Facility:</p> <p>a. Submitted the DMRs for the monitoring periods ending June 30 and July 31, 2006 for Outfalls 002 and 003 on August 15, 2007; and</p> <p>b. Submitted the DMR containing the analysis of total cadmium, total chromium, total cyanide, total silver, and total toxic organics for the monitoring period ending August 31, 2007 for Outfall 001 on October 11, 2007.</p> <p>Ordering Provisions:</p> <p>The Order will require the Respondents to, within 120 days after the effective date of this Agreed Order, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0003420000. The certification shall include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance.</p>

Additional ID No(s): WQ0003420000



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 26, 2007

TCEQ

DATES	Assigned	13-Aug-2007	Screening	30-Aug-2007	EPA Due	
	PCW	11-Sep-2007				

RESPONDENT/FACILITY INFORMATION

Respondent	SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company		
Reg. Ent. Ref. No.	RN102186194		
Facility/Site Region	12-Houston	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	34679	No. of Violations	3	
Docket No.	2007-1551-IWD-E	Order Type	1660	
Media Program(s)	Water Quality	Enf. Coordinator	Heather Brister	
Multi-Media		EC's Team	EnforcementTeam 1	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** \$8,900

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 50% Enhancement **Subtotals 2, 3, & 7** \$4,450

Notes

The Respondents self-reported eight months of effluent violations and received two Notice of Violations for violations that are same or similar.

Culpability No 0% Enhancement **Subtotal 4** \$0

Notes

The Respondents do not meet the culpability criteria.

Good Faith Effort to Comply 0% Reduction **Subtotal 5** \$0

Extraordinary

Before NOV

NOV to EDP RP/Settlement Offer

Ordinary

N/A

X

(mark with x)

Notes

The Respondents do not meet the good faith criteria.

0% Enhancement*

Subtotal 6 \$0

Total EB Amounts

\$303

Approx. Cost of Compliance

\$2,576

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** \$13,350

OTHER FACTORS AS JUSTICE MAY REQUIRE 1% **Adjustment** \$76

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Recommended enhancement to capture the avoided cost associated with the violations.

Final Penalty Amount \$13,426

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** \$13,426

DEFERRAL 20% Reduction **Adjustment** -\$2,685

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY \$10,741

Screening Date 30-Aug-2007

Docket No. 2007-1551-IWD-E

PCW

Respondent SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC

Policy Revision 2 (September 2002)

Case ID No. 34679

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186194

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	10	50%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 50%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The Respondents self-reported eight months of effluent violations and received two Notice of Violations for violations that are same or similar.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 50%

Screening Date	30-Aug-2007	Docket No.	2007-1551-IWD-E	PCW
Respondent	SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe S			Policy Revision 2 (September 2002)
Case ID No.	34679			PCW Revision June 26, 2007
Reg. Ent. Reference No.	RN102186194			
Media [Statute]	Water Quality			
Enf. Coordinator	Heather Brister			
Violation Number	1			
Rule Cite(s)	Tex. Water Code § 26.121(a), 30 Tex. Admin. Code § 305.125(1), and TPDES Permit No. WQ0003420000, Effluent Limitations and Monitoring Requirements No. 1 at Outfall No. 001 and Outfall No. 002			
Violation Description	Failed to comply with the permitted effluent limits as documented by a TCEQ record review of self-reported data conducted on July 17, 2007. See attached table.			
Base Penalty				\$10,000

>> Environmental, Property and Human Health Matrix

		Harm			
	Release	Major	Moderate	Minor	
OR	Actual	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Percent 25%

>> Programmatic Matrix

		Falsification		Major	Moderate	Minor	
		<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Percent 0%

Matrix Notes

A simplified model was used to evaluate total zinc daily average. Total aluminum, total nickel, and flow were also considered. As a result of these discharges, human health or the environment have been exposed to significant amounts of pollutants which do not exceed levels harmful to human health or environmental receptors.

Adjustment \$7,500

Violation Events

Number of Violation Events	3		89	Number of violation days
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mark only one with an x

daily	<input type="checkbox"/>
monthly	<input checked="" type="checkbox"/>
quarterly	<input type="checkbox"/>
semiannual	<input type="checkbox"/>
annual	<input type="checkbox"/>
single event	<input type="checkbox"/>

Violation Base Penalty \$7,500

Three monthly events are recommended.

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount \$192	Violation Final Penalty Total \$11,314
This violation Final Assessed Penalty (adjusted for limits) \$11,314	

Economic Benefit Worksheet

Respondent: SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company
Case ID No.: 34679
Reg. Ent. Reference No.: RN102186194
Media: Water Quality
Violation No.: 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$2,000	31-Jul-2006	30-Jun-2008	1.9	\$192	n/a	\$192

Notes for DELAYED costs

Estimated cost for additional monitoring and sampling to find the source of the metals (aluminum, zinc, and nickel) and to correct the problem. Date Required is the initial month of noncompliance. Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$192

Screening Date 30-Aug-2007

Docket No. 2007-1551-IWD-E

PCW

Respondent SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Se

Policy Revision 2 (September 2002)

Case ID No. 34679

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186194

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 319.7(d) and 305.125(17) and TPDES Permit No. WQ0003420000, Monitoring and Reporting Requirements No. 1

Violation Description

Failed to timely submit the Discharge Monitoring Reports ("DMR") for the monitoring periods ending June 30 and July 31, 2006 for Outfalls 002 and 003, as documented by a record review conducted on July 17, 2007.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

Approximately less that 30% of the permit requirement was not met.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 4

29 Number of violation days

mark only one with an x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$400

Four single events are recommended for the two delinquent reports at the two outfalls.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$27

Violation Final Penalty Total \$603

This violation Final Assessed Penalty (adjusted for limits) \$603

Economic Benefit Worksheet

Respondent: SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company
Case ID No.: 34679
Reg. Ent. Reference No.: RN102186194
Media: Water Quality
Violation No.: 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$500	20-Jul-2006	15-Aug-2007	1.1	\$27	n/a	\$27

Notes for DELAYED costs

Estimated cost required to submit DMRs to the Enforcement Division, calculated from the date the initial report was due to the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$27

Screening Date 30-Aug-2007

Docket No. 2007-1551-IWD-E

PCW

Respondent SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Se

Policy Revision 2 (September 2002)

Case ID No. 34679

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186194

Media [Statute] Water Quality

Enf. Coordinator Heather Brister

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 319.4 and TPDES Permit No. WQ0003420000, Monitoring and Reporting Requirements No. 1

Violation Description

Failed to monitor for each parameter included in the permit. Specifically the Respondent did not analyze total cadmium, total chromium, total cyanide, total silver, and total toxic organics for the yearly monitoring period ending August 31, 2006, as documented by a record review conducted on July 17, 2007.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Failure to analyze for the required parameters could result in the exposure of a significant amount of contaminants which would not exceed levels protective of human health and the environment.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1

344

Number of violation days

mark only one
with an x

daily	
monthly	
quarterly	
semiannual	
annual	x
single event	

Violation Base Penalty \$1,000

One annual event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$84

Violation Final Penalty Total \$1,509

This violation Final Assessed Penalty (adjusted for limits) \$1,509

Economic Benefit Worksheet

Respondent: SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company
Case ID No.: 34679
Reg. Ent. Reference No.: RN102186194
Media: Water Quality
Violation No.: 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)				0.0	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling	\$76	20-Sep-2006	11-Oct-2007	1.1	\$4	\$80	\$84
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated cost to sample and submit the DMR for the annual monitoring period ending August 31, 2006. Date required is the date the DMR was due to the date of compliance.

Approx. Cost of Compliance

\$76

TOTAL

\$84

Effluent Limit Violation Table

table rev.

Respondent	SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company			
ID Number(s)	WQ0003420000			
Docket Number	2007-1551-IWD			
Enf. Coordinator	Heather Brister			

Corresponds to Violation Number:

1

EFFLUENT PARAMETER				
	Permit Limit			
	Total Nickel Daily Maximum at Outfall No. 001 0.199 Pounds per Day	Total Zinc Daily Average at Outfall No. 001 0.029 Pounds per Day	Total Zinc Daily Maximum at Outfall No. 001 0.062 Pounds per Day	Total Aluminum Daily Maximum at Outfall No. 002 1.5 Pounds per Day
Month/Year				
Jul-06	0.385	0.073	0.265	c
Jan-07	c	c	c	2.51
Apr-07	c	c	c	4.16
c = compliant				

Compliance History

Customer/Respondent/Owner-Operator: CN601181209 SC Pipe Services, Inc. Classification: AVERAGE Rating: 0.49
Regulated Entity: RN102186194 VAM PTS Classification: AVERAGE Site Rating: 0.49

ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD991304155
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	33140
	AIR NEW SOURCE PERMITS	PERMIT	40203
	AIR NEW SOURCE PERMITS	PERMIT	41462
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG1474G
	WASTEWATER	PERMIT	WQ0003420000
	WASTEWATER	PERMIT	TPDES0084093
	WASTEWATER	PERMIT	TX0084093
	WASTEWATER LICENSING	LICENSE	WQ0003420000

Location: Located approximately 0.5 miles east of the intersection of Hardy Road and Richey Road, approximately two miles south of Farm-to-Market Road 1960, Harris County, Texas
Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON
Date Compliance History Prepared: August 29, 2007
Agency Decision Requiring Compliance History: Enforcement
Compliance Period: August 29, 2002 to August 29, 2007
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History
Name: Heather Brister Phone: 512-239-1203

Site Compliance History Components

- | | |
|--|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period? | No |
| 3. If Yes, who is the current owner? | N/A |
| 4. If Yes, who was/were the prior owner(s)? | N/A |
| 5. When did the change(s) in ownership occur? | N/A |

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)
- | | | |
|----|------------|----------|
| 1 | 10/18/2002 | (207204) |
| 2 | 11/18/2002 | (207207) |
| 3 | 01/24/2003 | (207214) |
| 4 | 03/03/2003 | (207185) |
| 5 | 03/28/2003 | (207188) |
| 6 | 04/22/2003 | (316219) |
| 7 | 05/21/2003 | (316221) |
| 8 | 06/13/2003 | (316223) |
| 9 | 07/28/2003 | (316225) |
| 10 | 08/20/2003 | (316227) |
| 11 | 09/18/2003 | (316229) |
| 12 | 10/20/2003 | (316231) |
| 13 | 11/13/2003 | (249528) |
| 14 | 11/18/2003 | (316232) |
| 15 | 12/16/2003 | (316233) |
| 16 | 05/03/2004 | (360780) |
| 17 | 05/03/2004 | (360781) |
| 18 | 05/03/2004 | (360782) |
| 19 | 05/26/2004 | (360783) |
| 20 | 07/06/2004 | (360784) |
| 21 | 07/23/2004 | (360785) |

22 09/16/2004 (360786)
 23 10/22/2004 (360787)
 24 10/29/2004 (386763)
 25 10/29/2004 (386764)
 26 10/29/2004 (386766)
 27 10/29/2004 (386768)
 28 11/18/2004 (386767)
 29 11/19/2004 (337580)
 30 01/10/2005 (386769)
 31 01/14/2005 (386771)
 32 01/31/2005 (386765)
 33 01/31/2005 (386770)
 34 03/07/2005 (386761)
 35 03/21/2005 (386762)
 36 04/18/2005 (430379)
 37 06/02/2005 (430380)
 38 06/30/2005 (430381)
 39 07/26/2005 (430382)
 40 08/17/2005 (445310)
 41 09/12/2005 (397724)
 42 09/28/2005 (445311)
 43 10/21/2005 (476606)
 44 11/21/2005 (476607)
 45 12/15/2005 (476608)
 46 01/26/2006 (476609)
 47 02/27/2006 (476605)
 48 04/03/2006 (503573)
 49 06/01/2006 (503574)
 50 07/03/2006 (525926)
 51 08/02/2006 (525927)
 52 09/13/2006 (525928)
 53 10/06/2006 (550342)
 54 10/25/2006 (550343)
 55 12/04/2006 (550344)
 56 12/05/2006 (532129)
 57 01/16/2007 (550345)
 58 02/22/2007 (550341)
 59 08/07/2007 (568001)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date:	06/30/2003	(316225)		
Self Report?	YES		Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	12/31/2003	(386770)		
Self Report?	YES		Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	11/18/2004	(337580)		
Self Report?	NO		Classification:	Moderate
Citation:	30 TAC Chapter 290, SubChapter D 290.44(h)(1)(A)			
Description:	Failure to provide a back flow prevention device on the potable water line.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 305, SubChapter F 305.125(7) 30 TAC Chapter 305, SubChapter F 305.126(b)[G]			
Description:	Failure to properly submit a permit application.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(d)			
Description:	Failure to provide accurate flow measurements.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(a) 30 TAC Chapter 319, SubChapter A 319.11(b)			
Description:	Failure to provide clean sampling equipment.			

Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(b)		
Description:	Failure to maintain the samples at 4 degrees C.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(b)		
Description:	Failure to properly handle wastewater samples.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	Failure to submit a noncompliance notification as required by Permit No. 03420.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 319, SubChapter A 319.5(b)		
Description:	Failure to submit analytical results as required.		
Date:	03/31/2005 (430379)		
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	04/30/2005 (430380)		
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	09/30/2005 (476606)		
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	07/31/2006 (525928)		
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	12/04/2006 (532129)		
Self Report?	NO	Classification:	Moderate
Rqmt Prov:	PERMIT EL&MR, pg. 2, no. 1		
Description:	Failure to maintain compliance with effluent permit limits for nickel, zinc, and copper. Violations were reported in March 2006 and July 2006. See attached Table 1.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.4		
Description:	Failure to monitor for total cyanide in 2005. Monitoring must be conducted for total cyanide once a year.		
Self Report?	NO	Classification:	Minor
Rqmt Prov:	PERMIT Other Requirements, pg. 12, no. 1		
Description:	Failure to submit a verbal noncompliance notification for daily maximum metals violations within 24 hours of becoming aware of the violation, and a written noncompliance notification within five days. The permittee failed to submit a verbal or written noncompliance notification for total copper in March 2006.		
Self Report?	NO	Classification:	Moderate
Rqmt Prov:	PERMIT EL&MR, pg. 1, no. 1		
Description:	Failure to monitor for Total Toxic Organics (TTO) or submit a certification statement indicating that there has been no dumping of concentrated toxic organics into the wastestreams since the last discharge monitoring report.		
Date:	01/31/2007 (550341)		
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		

Date: 04/30/2007

Self Report? YES

Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

Compliance History

Customer/Respondent/Owner-Operator: CN603213877 Vallourec Industries, Inc. Classification: AVERAGE Rating: 0.49
Regulated Entity: RN102186194 VAM PTS Classification: AVERAGE Site Rating: 0.49

ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD991304155
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	33140
	AIR NEW SOURCE PERMITS	PERMIT	40203
	AIR NEW SOURCE PERMITS	PERMIT	41462
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG1474G
	WASTEWATER	PERMIT	WQ0003420000
	WASTEWATER	PERMIT	TPDES0084093
	WASTEWATER	PERMIT	TX0084093
	WASTEWATER LICENSING	LICENSE	WQ0003420000

Location: Located approximately 0.5 miles east of the intersection of Hardy Road and Richey Road, approximately two miles south of Farm-to-Market Road 1960, Harris County, Texas
Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON
Date Compliance History Prepared: August 29, 2007
Agency Decision Requiring Compliance History: Enforcement
Compliance Period: August 29, 2002 to August 29, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Heather Brister Phone: 512-239-1203

Site Compliance History Components

- | | |
|--|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period? | No |
| 3. If Yes, who is the current owner? | N/A |
| 4. If Yes, who was/were the prior owner(s)? | N/A |
| 5. When did the change(s) in ownership occur? | N/A |

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)
- | | | |
|----|------------|----------|
| 1 | 10/18/2002 | (207204) |
| 2 | 11/18/2002 | (207207) |
| 3 | 01/24/2003 | (207214) |
| 4 | 03/03/2003 | (207185) |
| 5 | 03/28/2003 | (207188) |
| 6 | 04/22/2003 | (316219) |
| 7 | 05/21/2003 | (316221) |
| 8 | 06/13/2003 | (316223) |
| 9 | 07/28/2003 | (316225) |
| 10 | 08/20/2003 | (316227) |
| 11 | 09/18/2003 | (316229) |
| 12 | 10/20/2003 | (316231) |
| 13 | 11/13/2003 | (249528) |
| 14 | 11/18/2003 | (316232) |
| 15 | 12/16/2003 | (316233) |
| 16 | 05/03/2004 | (360780) |
| 17 | 05/03/2004 | (360781) |
| 18 | 05/03/2004 | (360782) |
| 19 | 05/26/2004 | (360783) |
| 20 | 07/06/2004 | (360784) |
| 21 | 07/23/2004 | (360785) |

22 09/16/2004 (360786)
 23 10/22/2004 (360787)
 24 10/29/2004 (386763)
 25 10/29/2004 (386764)
 26 10/29/2004 (386766)
 27 10/29/2004 (386768)
 28 11/18/2004 (386767)
 29 11/19/2004 (337580)
 30 01/10/2005 (386769)
 31 01/14/2005 (386771)
 32 01/31/2005 (386765)
 33 01/31/2005 (386770)
 34 03/07/2005 (386761)
 35 03/21/2005 (386762)
 36 04/18/2005 (430379)
 37 06/02/2005 (430380)
 38 06/30/2005 (430381)
 39 07/26/2005 (430382)
 40 08/17/2005 (445310)
 41 09/12/2005 (397724)
 42 09/28/2005 (445311)
 43 10/21/2005 (476606)
 44 11/21/2005 (476607)
 45 12/15/2005 (476608)
 46 01/26/2006 (476609)
 47 02/27/2006 (476605)
 48 04/03/2006 (503573)
 49 06/01/2006 (503574)
 50 07/03/2006 (525926)
 51 08/02/2006 (525927)
 52 09/13/2006 (525928)
 53 10/06/2006 (550342)
 54 10/25/2006 (550343)
 55 12/04/2006 (550344)
 56 12/05/2006 (532129)
 57 01/16/2007 (550345)
 58 02/22/2007 (550341)
 59 08/07/2007 (568001)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date:	06/30/2003	(316225)	Classification:	Moderate
Self Report?	YES			
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	12/31/2003	(386770)	Classification:	Moderate
Self Report?	YES			
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	11/18/2004	(337580)	Classification:	Moderate
Self Report?	NO			
Citation:	30 TAC Chapter 290, SubChapter D 290.44(h)(1)(A)			
Description:	Failure to provide a back flow prevention device on the potable water line.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 305, SubChapter F 305.125(7) 30 TAC Chapter 305, SubChapter F 305.126(b)[G]			
Description:	Failure to properly submit a permit application.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(d)			
Description:	Failure to provide accurate flow measurements.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(a) 30 TAC Chapter 319, SubChapter A 319.11(b)			
Description:	Failure to provide clean sampling equipment.			

Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(b)		
Description:	Failure to maintain the samples at 4 degrees C.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(b)		
Description:	Failure to properly handle wastewater samples.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	Failure to submit a noncompliance notification as required by Permit No. 03420.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 319, SubChapter A 319.5(b)		
Description:	Failure to submit analytical results as required.		
Date:	03/31/2005	(430379)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	04/30/2005	(430380)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	09/30/2005	(476606)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	07/31/2006	(525928)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	12/04/2006	(532129)	
Self Report?	NO	Classification:	Moderate
Rqmt Prov:	PERMIT EL&MR, pg. 2, no. 1		
Description:	Failure to maintain compliance with effluent permit limits for nickel, zinc, and copper. Violations were reported in March 2006 and July 2006. See attached Table 1.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.4		
Description:	Failure to monitor for total cyanide in 2005. Monitoring must be conducted for total cyanide once a year.		
Self Report?	NO	Classification:	Minor
Rqmt Prov:	PERMIT Other Requirements, pg. 12, no. 1		
Description:	Failure to submit a verbal noncompliance notification for daily maximum metals violations within 24 hours of becoming aware of the violation, and a written noncompliance notification within five days. The permittee failed to submit a verbal or written noncompliance notification for total copper in March 2006.		
Self Report?	NO	Classification:	Moderate
Rqmt Prov:	PERMIT EL&MR, pg. 1, no. 1		
Description:	Failure to monitor for Total Toxic Organics (TTO) or submit a certification statement indicating that there has been no dumping of concentrated toxic organics into the wastestreams since the last discharge monitoring report.		
Date:	01/31/2007	(550341)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		

Date: 04/30/2007

Self Report? YES

Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)

TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

Compliance History

Customer/Respondent/Owner-Operator: CN603213869 SMI Oil Field Services, Inc. Classification: AVERAGE Rating: 0.49
Regulated Entity: RN102186194 VAM PTS Classification: AVERAGE Site Rating: 0.49

ID Number(s):	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	EPA ID	TXD991304155
	INDUSTRIAL AND HAZARDOUS WASTE GENERATION	SOLID WASTE REGISTRATION # (SWR)	33140
	AIR NEW SOURCE PERMITS	PERMIT	40203
	AIR NEW SOURCE PERMITS	PERMIT	41462
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HG1474G
	WASTEWATER	PERMIT	WQ0003420000
	WASTEWATER	PERMIT	TPDES0084093
	WASTEWATER	PERMIT	TX0084093
	WASTEWATER LICENSING	LICENSE	WQ0003420000

Location: Located approximately 0.5 miles east of the intersection of Hardy Road and Richey Road, approximately two miles south of Farm-to-Market Road 1960, Harris County, Texas
Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON
Date Compliance History Prepared: August 29, 2007
Agency Decision Requiring Compliance History: Enforcement
Compliance Period: August 29, 2002 to August 29, 2007
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History
Name: Heather Brister Phone: 512-239-1203

Site Compliance History Components

- | | |
|--|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period? | No |
| 3. If Yes, who is the current owner? | N/A |
| 4. If Yes, who was/were the prior owner(s)? | N/A |
| 5. When did the change(s) in ownership occur? | N/A |

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)
- | | | |
|----|------------|----------|
| 1 | 10/18/2002 | (207204) |
| 2 | 11/18/2002 | (207207) |
| 3 | 01/24/2003 | (207214) |
| 4 | 03/03/2003 | (207185) |
| 5 | 03/28/2003 | (207188) |
| 6 | 04/22/2003 | (316219) |
| 7 | 05/21/2003 | (316221) |
| 8 | 06/13/2003 | (316223) |
| 9 | 07/28/2003 | (316225) |
| 10 | 08/20/2003 | (316227) |
| 11 | 09/18/2003 | (316229) |
| 12 | 10/20/2003 | (316231) |
| 13 | 11/13/2003 | (249528) |
| 14 | 11/18/2003 | (316232) |
| 15 | 12/16/2003 | (316233) |
| 16 | 05/03/2004 | (360780) |
| 17 | 05/03/2004 | (360781) |
| 18 | 05/03/2004 | (360782) |
| 19 | 05/26/2004 | (360783) |
| 20 | 07/06/2004 | (360784) |
| 21 | 07/23/2004 | (360785) |

22 09/16/2004 (360786)
 23 10/22/2004 (360787)
 24 10/29/2004 (386763)
 25 10/29/2004 (386764)
 26 10/29/2004 (386766)
 27 10/29/2004 (386768)
 28 11/18/2004 (386767)
 29 11/19/2004 (337580)
 30 01/10/2005 (386769)
 31 01/14/2005 (386771)
 32 01/31/2005 (386765)
 33 01/31/2005 (386770)
 34 03/07/2005 (386761)
 35 03/21/2005 (386762)
 36 04/18/2005 (430379)
 37 06/02/2005 (430380)
 38 06/30/2005 (430381)
 39 07/26/2005 (430382)
 40 08/17/2005 (445310)
 41 09/12/2005 (397724)
 42 09/28/2005 (445311)
 43 10/21/2005 (476606)
 44 11/21/2005 (476607)
 45 12/15/2005 (476608)
 46 01/26/2006 (476609)
 47 02/27/2006 (476605)
 48 04/03/2006 (503573)
 49 06/01/2006 (503574)
 50 07/03/2006 (525926)
 51 08/02/2006 (525927)
 52 09/13/2006 (525928)
 53 10/06/2006 (550342)
 54 10/25/2006 (550343)
 55 12/04/2006 (550344)
 56 12/05/2006 (532129)
 57 01/16/2007 (550345)
 58 02/22/2007 (550341)
 59 08/07/2007 (568001)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date:	06/30/2003	(316225)	Classification:	Moderate
Self Report?	YES			
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	12/31/2003	(386770)	Classification:	Moderate
Self Report?	YES			
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]			
Description:	Failure to meet the limit for one or more permit parameter			
Date:	11/18/2004	(337580)	Classification:	Moderate
Self Report?	NO			
Citation:	30 TAC Chapter 290, SubChapter D 290.44(h)(1)(A)			
Description:	Failure to provide a back flow prevention device on the potable water line.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 305, SubChapter F 305.125(7) 30 TAC Chapter 305, SubChapter F 305.126(b)[G]			
Description:	Failure to properly submit a permit application.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(d)			
Description:	Failure to provide accurate flow measurements.			
Self Report?	NO		Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(a) 30 TAC Chapter 319, SubChapter A 319.11(b)			
Description:	Failure to provide clean sampling equipment.			

Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(b)		
Description:	Failure to maintain the samples at 4 degrees C.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.11(b)		
Description:	Failure to properly handle wastewater samples.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1)		
Description:	Failure to submit a noncompliance notification as required by Permit No. 03420.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 319, SubChapter A 319.5(b)		
Description:	Failure to submit analytical results as required.		
Date:	03/31/2005	(430379)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	04/30/2005	(430380)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	09/30/2005	(476606)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	07/31/2006	(525928)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		
Date:	12/04/2006	(532129)	
Self Report?	NO	Classification:	Moderate
Rqmt Prov:	PERMIT EL&MR, pg. 2, no. 1		
Description:	Failure to maintain compliance with effluent permit limits for nickel, zinc, and copper. Violations were reported in March 2006 and July 2006. See attached Table 1.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 319, SubChapter A 319.4		
Description:	Failure to monitor for total cyanide in 2005. Monitoring must be conducted for total cyanide once a year.		
Self Report?	NO	Classification:	Minor
Rqmt Prov:	PERMIT Other Requirements, pg. 12, no. 1		
Description:	Failure to submit a verbal noncompliance notification for daily maximum metals violations within 24 hours of becoming aware of the violation, and a written noncompliance notification within five days. The permittee failed to submit a verbal or written noncompliance notification for total copper in March 2006.		
Self Report?	NO	Classification:	Moderate
Rqmt Prov:	PERMIT EL&MR, pg. 1, no. 1		
Description:	Failure to monitor for Total Toxic Organics (TTO) or submit a certification statement indicating that there has been no dumping of concentrated toxic organics into the wastestreams since the last discharge monitoring report.		
Date:	01/31/2007	(550341)	
Self Report?	YES	Classification:	Moderate
Citation:	30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a)[G]		
Description:	Failure to meet the limit for one or more permit parameter		

Date: 04/30/2007

Self Report? YES

Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TWC Chapter 26 26.121(a)[G]

Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
SMI OIL FIELD SERVICES, INC.,
VALLOUREC INDUSTRIES, INC., SC
PIPE SERVICES, INC. DBA VAM PTS
COMPANY
RN102186194**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY
§
§
§**

AGREED ORDER DOCKET NO. 2007-1551-IWD-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company ("the Respondents") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondents, represented by Peter K. Wahl and Fredricka S. Dorroh of the law firm of Akin Gump Strauss Hauer & Feld, LLP appear before the Commission and together stipulate that:

1. The Respondents own and operate a pipe and coupling threading and coating facility located approximately 0.5 miles east of the intersection of Hardy Road and Richey Road, approximately two miles south of Farm-to-Market Road 1960, Harris County, Texas (the "Facility").
2. The Respondents have discharged industrial waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.
3. The Commission and the Respondents agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondents is subject to the Commission's jurisdiction.
4. The Respondents received notice of the violations alleged in Section II ("Allegations") on or about August 12, 2007.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondents of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirteen Thousand Four Hundred Twenty-Six Dollars (\$13,426) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondents have paid Ten Thousand Seven Hundred Forty-One Dollars (\$10,741) of the administrative penalty and Two Thousand Six Hundred Eighty-Five Dollars (\$2,685) is deferred contingent upon the Respondents' timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondents fail to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondents to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondents have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondents have implemented the following corrective measures at the Facility:
 - a. Submitted the Discharge Monitoring Reports ("DMRs") for the monitoring periods ending June 30 and July 31, 2006 for Outfalls 002 and 003 on August 15, 2007; and
 - b. Submitted the DMR containing the analysis of total cadmium, total chromium, total cyanide, total silver, and total toxic organics for the monitoring period ending August 31, 2007 for Outfall 001 on October 11, 2007.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondents have not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondents are alleged to have:

1. Failed to comply with the permitted effluent limits, in violation of TEX. WATER CODE § 26.121(a), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0003420000, Effluent Limitations and Monitoring

Requirements No. 1 at Outfall No. 001 and Outfall No. 002, as documented by a TCEQ record review of self-reported data conducted on July 17, 2007. See table below:

<i>EFFLUENT PARAMETER</i>				
<i>Permit Limit</i>				
	Total Nickel Daily Maximum at Outfall No. 001 0.199 Pounds per Day	Total Zinc Daily Average at Outfall No. 001 0.029 Pounds per Day	Total Zinc Daily Maximum at Outfall No. 001 0.062 Pounds per Day	Total Aluminum Daily Maximum at Outfall No. 002 1.5 Pounds per Day
<i>Month/Year</i>				
Jul-06	0.385	0.073	0.265	c
Jan-07	c	c	c	2.51
Apr-07	c	c	c	4.16

c = compliant

- Failed to timely submit the Discharge Monitoring Reports ("DMR") for the monitoring periods ending June 30 and July 31, 2006 at Outfalls 002 and 003, in violation of 30 TEX. ADMIN. CODE §§ 319.7(d) and 305.125(17) and TPDES Permit No. WQ0003420000, Monitoring and Reporting Requirements No. 1, as documented by a record review conducted on July 17, 2007.
- Failed to monitor for each parameter included in the permit, in violation of 30 TEX. ADMIN. CODE § 319.4 and TPDES Permit No. WQ0003420000, Monitoring and Reporting Requirements No. 1. Specifically, the Respondents did not analyze total cadmium, total chromium, total cyanide, total silver, and total toxic organics for the annual monitoring period ending August 31, 2006, as documented by a record review conducted on July 17, 2007.

III. DENIALS

The Respondents generally deny each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

- It is, therefore, ordered by the TCEQ that the Respondents pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondents' compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company, Docket No. 2007-1551-IWD-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondents are jointly and severally liable for the violations documented in this Agreed Order, and are jointly and severally liable for timely and satisfactory compliance with all terms and conditions of this Agreed Order.
3. It is further ordered that the Respondents shall, within 120 days after the effective date of this Agreed Order, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0003420000. The certification shall include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance, be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Water Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

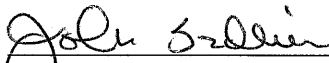
4. The provisions of this Agreed Order shall apply to and be binding upon the Respondents. The Respondents are ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
5. If the Respondents fail to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondents' failure to comply is not a violation of this Agreed Order. The Respondents shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondents shall notify the Executive Director within seven days after the Respondents become aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondents shall be made in writing to the Executive Director. Extensions are not effective until the Respondents receive written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondents in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondents, or three days after the date on which the Commission mails notice of the Order to the Respondents, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

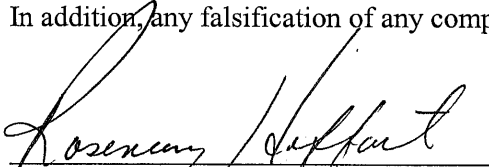
3/26/2008
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

01-03-08
Date

Rosemary Hoffart

Name (Printed or typed)

HSE Manager

Title

Authorized Representative of

SMI Oil Field Services, Inc., Vallourec Industries, Inc., SC Pipe Services, Inc. dba VAM PTS Company

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

